

PUBLIC SAFETY PROJECTS OVERSIGHT COMMITTEE

Minutes of Meeting on June 4, 2015

Members attending: Cathy Beecham, Debby Brehm, Jon Camp, Dick Campbell, Tom Casady, Tyler Mainquist, John Miles, Mike Rogers, Tracy Sanford Deb Schorr, Liz Standish, Mike Rogers.

Members absent: Rick Carter, Doug Emery

Others present: Ray Ryan and Rick Hoppe, City of Lincoln; Nancy Hicks, Lincoln Journal Star

The meeting convened at 5:05 PM. The first order of business was election of committee leadership. A motion was made and seconded to elect Tom Casady as chair. During discussion, Tom Casady expressed his concern that a City employee probably should not be the chair of a citizen oversight committee, particularly when he would be one of the managers of the projects over which oversight is to be exercised. The motion was withdrawn.

After discussion about who would be willing to serve, Dick Campbell moved that Debby Brehm be elected chair, and that Cathy Beecham be elected vice chair. Both were elected by unanimous vote of those in attendance.

Tom Casady provided information about the operation of the sales tax, informing the committee that he, Finance Director Steve Hubka, and City Attorney Jeff Kirkpatrick had both corresponded and met with the Nebraska Department of Revenue. Because of the requirements in statute and in regulations from the Department of Revenue, the earliest date the sales tax can become operative is October 1, 2015. The City will receive revenue from the additional sales tax beginning in December, 2015. In addition, ending the sales tax can only end at the beginning of a State fiscal quarter, and the Department of Revenue will require 120 days advance notice of the City's intent, including certified copies of the relevant ordinance ending the tax.

Tom Casady provided a tentative timeline of the public safety projects, and asked for the committee's input on whether the use of inter-fund borrowing within the City, or short term commercial financing should be explored in order to get started on the projects more quickly, before sufficient revenue has been realized for some of the major expenditures that will occur early in the project, such as an initial down payment to the vendor. Dick Campbell felt that the sales tax ballot issue had been marketed as a means to pay for these projects on a "pay-as-you-go" basis, and that financing based on future revenue was ill-advised.

Deb Schorr believed that the fact that citizens had already voted on the sales tax increment should provide the City with a strong negotiating position with the vendor regarding the timing and amount of payments. Jon Miles expressed his view that inter-fund borrowing without interest was a different matter, and not as problematic since interest would not be involved. Tom Casady explained that there may be incentive discounts offered by vendors for early acquisition of some equipment. Tyler Mainquist

felt that if such incentives saved considerable money in excess of any financing cost, we might feel differently about the use of financing in order to take advantage of opportunities.

Jon Camp thought it was important to encourage vendors to offer such incentives. Liz Standish felt it was important to keep the RFP clean and straightforward. Cathy Beecham felt that all of these issues would best be considered later, when more details are known, and that she could support short-term financing only if it resulted in significant savings to the overall project costs, or if there was a compelling public safety need.

Jon Camp wanted to see a timeline projection of expected revenues and major expenditures. Tom Casady said that he had been working on just such a spreadsheet, and would email that to the committee, with the understanding that it is very tentative, and based on many assumptions and estimates that will not be crystal clear until the proposals are received, a vendor selected, and contract negotiations concluded.

Tom Casady explained the City's intention to create a committee of about 13-15 members, primarily composed of radio system users, to review the proposals. He said that he would like to have at least one member of the Oversight Committee participate in the proposal reviews, and Tracy Sanford agreed to serve in that capacity. Jon Miles asked what the Oversight Committee's role should be, vis-à-vis the proposal review committee. Tom Casady indicated that he felt the committee reviewing the proposals should present their recommendation to the Oversight Committee. Rick Hoppe noted that the Oversight Committee was in the ballot language. Dick Campbell expressed his view that the City Finance Department participate on that committee. Tom Casady indicated that Bob Walla of the Purchasing Division in the Finance Department would be involved in this process.

Discussion turned to the final agenda item, the future meeting schedule. It was agreed that there would really be no need to meet until the proposals have been received, reviewed, and a recommendation to the Oversight Committee was forthcoming, which would probably be in early November. Debby Brehm suggested, and it was agreed, that the date of that meeting could be determined when it was closer at hand.

It was suggested that the agenda and minutes of the Oversight Committee be made available online. Tom Casady said that the City was currently developing an informational website for the sales tax. The city council has also passed a resolution requiring the Finance Director to make a monthly report available online of revenue and expenses pertaining to the project. Tom Casady felt that the minutes and agenda could be added to the same Internet page containing these resources.

The meeting adjourned at 6:00 PM.